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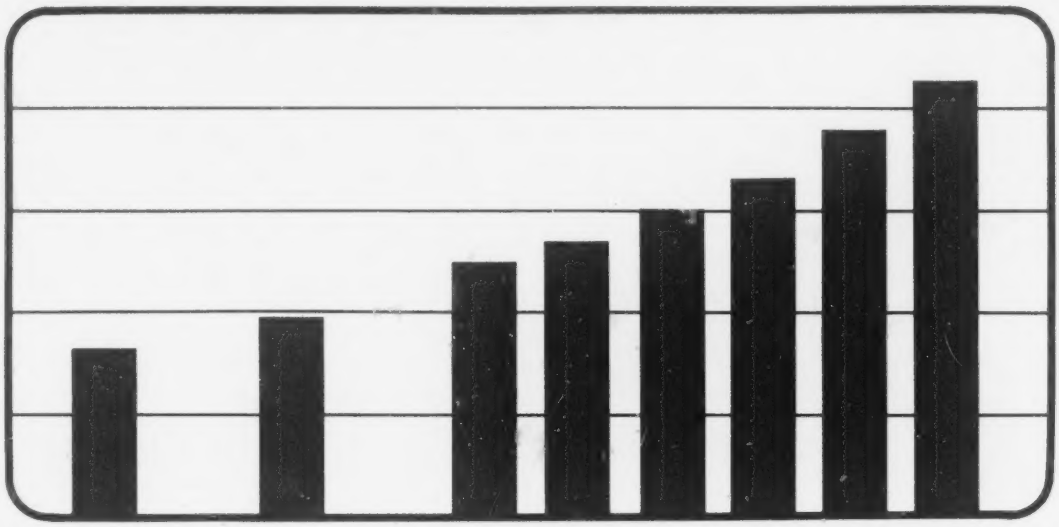
NATIONAL ASSOCIATION OF BUSINESS ECONOMISTS



SALARY CHARACTERISTICS 1982

NATIONAL ASSOCIATION OF BUSINESS ECONOMISTS
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(Additional copies available at $5.00 each)

1982 Salary Characteristics

Highlights

- The median base salary of 1,644 responding NABE members in the 1982 salary survey is $43,000, up 13% from the median reported in the 1980 survey. Half reported incomes between $35,000 and $55,000. Over 10% of the respondents reported base salaries of more than $75,000.

- 241 female respondents reported a median salary of $35,000. The female median was up 18% over the 1980 salary survey. A similar percentage was achieved in 1980.

- Additional compensation from their primary employment in 1981 was reported by half of the respondents. The median amount was $6,723, up from $5,000 in the 1980 survey.

- Professional income from secondary employment in 1981 was reported by 29% of the respondents. The median amount was $3,000, the same as in the 1980 survey.

- Economists in the area of general administration-economist again commanded the highest median salary of $54,000, followed by international economists with a median of $53,000. Statistician and teaching had the lowest median base salaries of $30,100 and $31,000 respectively.

- Both base salary and additional primary income rose with the number of people supervised by the business economist. Economists working in the largest firms had the highest compensation, although the second highest compensation was at the smallest firms in terms of number of employees. Those economists supervising 25 or more had a median base salary of $64,000 and a median additional primary income of $14,000.

- Eighty-seven percent of the respondents held an advanced degree. The all but dissertation group had the highest median of $50,000, probably due to years of experience, with Ph.D degree economists having a median of $43,000. Generally, the higher the degree, the higher the salary.

- Business economists with a Ph.D and 0 to 4 years experience had a median base salary of $35,000, up from $31,000 in the 1980 survey.

- Primary employment income varied directly by years of professional experience. By the time the economist had 10-14 years of experience, the average business economist had surpassed the median income of the profession.

- By industry, the highest paid business economists were in mining, nondurable manufacturing, and securities and investments. The lowest paid base salaries were construction and academics.

- By location, economists who reported their region as foreign had the highest median base salary. Within the U.S., the Middle Atlantic states had the highest median salary. New York and Pittsburgh ranked as the top two cities in median business economist salaries.

Survey Background

In the spring of 1982, the National Association of Business Economists queried its membership on salary and other occupational data details. Questionnaires were mailed to 3,392 NABE members and 1,644 useable returns were received. This represented a 48.5% response and provided a good cross-section of the NABE membership.

Members were asked to report their current (1982) base annual earnings. Base earnings were defined as salary from primary employment before reductions for income taxes, social security, etcetera.

In addition to their base salary, respondents were asked to report 1981 income from two other sources: (1) additional gross compensation from primary employment, and (2) secondary professional income.

Additional gross compensation from primary employment was defined as cash bonuses, profit sharing, etc., before deductions and excluding noninvested and retirement benefits.

Secondary professional income was defined to include gross cash income from royalties, directors and other fees, honoraria, etc., excluding non-

invested income.

Respondents also were asked to report on various aspects of their employment including the principal area of their responsibility, sex, size of firm, number of persons supervised, education, years of experience, and location.

The following text and tables present the survey findings. The term "median" refers to the middle amount reported in an array of all amounts for that group. The term "mode" refers to the most frequently reported number given in an array of amounts for that group, but is useful only when the size of the group is significantly large.

Basic Salary

The median base salary as of the spring of 1982, reported by 1,644 business economists, was $43,000 with the mode or most commonly mentioned salary, $40,000. 270 of the respondents were reported located in the New York City area and these reported a median and mode base salary of $50,000. The percentage of New York respondents to the total continued its decline of recent surveys. These economists now represent 16.4% of respondents, down from 18.3% in 1980, 19.4% in 1978, 20.9% in 1976, and 22.7% in 1974. The $8,288 margin which existed between those economists in New York and those located elsewhere was up from the $6,000 gap reported in 1980. (See Table 1).

The 241 female respondents represented 14.7% of the total, up from 11.3% in 1980, 9.5% in 1978, and 7.2% in 1976. The median base salary was $35,000; $40,000 for the 57 located in New York and $33,000 for the 184 located outside of New York. Table 2 provides summary data on base salary for male and female respondents.

Additional Compensation*

The additional compensation relates to the year 1981. Forty-nine percent of all respondents received additional compensation related to their primary employment. The median amount of additional income was $6,273, or 14.6% of the median base salary (1981 additional income as a percent of early 1982 base salary).

Professional income from secondary employment was reported by more than one-quarter of all respondents. The median secondary income amounted to $3,000, or 7% of the median base salary. Table 3 shows the summary data on additional compensation for male and female respondents.

*See Survey Background section for additional compensation definitions.

TABLE 1

PERCENTAGE DISTRIBUTION OF
BASE SALARY BY INCOME CLASS

Base Salary	Total	New York	Other
Under 25	8.4	5.6	8.9
25-29.9	7.7	5.2	8.2
30-34.9	11.9	6.7	12.8
35-39.9	12.9	11.2	13.2
40-44.9	12.2	10.0	12.6
45-49.9	9.0	7.1	9.3
50-54.9	9.0	13.0	8.2
55-59.9	6.6	5.6	6.8
60-64.9	5.6	5.2	5.7
65-69.9	3.6	5.9	3.1
70-74.9	2.4	4.1	2.1
75-79.9	2.8	5.2	2.3
80-84.9	1.8	2.6	1.7
85-89.9	0.9	2.2	0.6
90-94.9	1.0	1.9	0.9
95-and over	4.0	8.5	3.6
Median	43,000	50,000	41,712
Mode	40,000	50,000	40,000

TABLE 2

BASE SALARY
MALE AND FEMALE

	Number of Respondents	Median Amount
Male - Total	1,388	$45,000
New York	209	54,000
Other	1,179	44,000
Female - Total	241	35,000
New York	57	40,000
Other	184	33,000

TABLE 3

ADDITIONAL COMPENSATION
MALE AND FEMALE

	Number of Respondents	Median Amount	Mode
Additional Primary Income			
Male	702	$7,000	$5,000
Female	102	4,600	1,000
Professional Secondary Income			
Male	441	3,200	1,000
Female	31	2,000	1,000

Compensation By Industry

Table 4 shows the distribution of base salary among income classes by industry of employment. Economists in the mining and nondurable manufacturing sectors ranked highest in 1982 with median base salaries of $53,900 and $51,000 respectively. The largest number of respondents were in banking, where the median salary was $47,300.

Lowest paid, according to the 1982 salary characteristics, were economists working in academics and in construction, although the sample for the latter was extremely small.

Median additional 1981 compensation related to primary employment varied from $16,650 in the securities and investment area to $1,500 in communications and utilities.

Other professional income was in a range of $2,000 to $5,000 with economists in academics, consulting, securities and investment, and nonprofit research at the high end of the range. Government economists ranked lowest in secondary income. Table 5 shows additional compensation by industry.

Compensation By Area Of Responsibility

Respondents were asked to indicate which of twelve areas of responsibility best described their jobs. The areas were changed this year to include such descriptions as energy economist. Table 6 shows the median base salaries, additional primary income, and professional secondary income of these responsibilities. Economists stating their primary area of responsibility as general administration-economist earned the highest median base salary of $54,000, median additional primary income of $10,000 and $4,650 in professional secondary income, although the number of respondents in each area fell from 229 to 117 to 74 respectively.

Respondents describing their jobs as that of teaching, statistician, and econometrician had the lowest median salaries. This pattern is similar to the results shown in the past four surveys.

The largest number of respondents described

TABLE 5

ADDITIONAL COMPENSATION BY INDUSTRY OF EMPLOYMENT

Industry	Additional Primary Number of Respondents	Income Median	Professional Secondary Number of Respondents	Income Median
Durable Manufacturing	104	$ 6,250	34	$ 3,000
Nondurable Manufacturing	82	8,375	28	4,600
Retail & Wholesale Trade	15	7,300	*	4,300
Banking	146	8,000	88	2,450
Securities & Investment	78	16,650	29	5,000
Insurance	25	5,300	15	2,000
Communications & Utilities	37	1,500	27	2,200
Publishing	11	4,000	*	*
Transportation	11	3,540	*	2,750
Mining	16	9,062	*	3,000
Construction	*	3,000	*	4,250
Real Estate	*	6,000	*	*
Consulting	124	10,000	48	5,000
Nonprofit Research	*	*	18	5,125
Trade Association	12	5,750	10	2,750
Government	18	2,500	22	1,900
Academic	48	5,000	93	5,000
Other	63	5,000	31	2,000

*Distribution withheld

TABLE 4

BASE SALARY BY INCOME CLASS BY INDUSTRY OF EMPLOYMENT
PERCENTAGE DISTRIBUTION, MEDIANS AND MODES
THOUSANDS OF $

	Under 25	25-29.9	30-34.9	35-39.9	40-44.9	45-49.9	50-54.9	55-59.9	60-64.9	65-69.9	70 & Over	Median	Mode	Number of Respondents
Durable Manufacturing	5.5	7.3	12.8	11.5	13.3	10.1	10.6	7.3	10.1	2.3	9.2	44.0	60.0	220
Nondurable Manufacturing	2.3	4.7	7.8	6.3	14.8	9.4	10.9	8.6	7.8	5.5	21.9	51.0	60.0	128
Retail and Wholesale Trade	12.0	20.0	4.0	8.0	12.0	*	12.0	8.0	4.0	8.0	12.0	43.0	25.0	25
Banking - All Types	8.4	5.2	10.4	10.0	10.8	8.0	11.2	6.8	4.8	6.0	18.4	47.3	50.0	249
Securities and Investments	9.2	6.1	5.1	14.3	5.1	10.2	12.2	6.1	4.1	7.1	20.5	50.0	50.0	99
Insurance	4.9	8.2	13.1	9.8	8.2	9.8	4.9	*	*	*	19.8	47.9	30.0	62
Communications and Utilities	8.2	9.0	18.9	21.3	14.8	1.6	5.7	*	*	*	14.7	37.8	35.0	122
Publishing	19.0	4.8	14.3	19.0	14.3	9.5	*	9.5	*	4.8	4.8	37.0	32.0	21
Transportation	*	15.2	12.1	21.2	9.1	18.2	6.1	*	6.1	*	6.0	39.5	45.0	33
Mining	*	*	*	16.7	12.5	8.3	16.7	*	20.8	*	20.9	53.9	45.0	24
Construction	*	*	*	*	*	*	*	*	*	*	*	34.3	*	12
Real Estate	*	*	*	*	*	*	*	*	*	*	*	48.5	*	20
Consulting	5.8	6.8	8.4	13.7	12.1	10.5	7.4	5.7	8.4	4.7	18.5	45.0	60.0	190
Nonprofit Research Organization	15.2	12.1	*	15.2	6.1	18.2	6.1	9.1	6.1	*	9.0	43.5	24.0	36
Trade Association	*	6.7	8.9	4.4	15.6	11.1	11.1	11.1	6.7	*	15.6	48.5	40.0	45
Government	12.3	8.8	15.8	12.3	14.9	9.1	6.1	19.3	*	*	*	40.0	38.5	114
Academic	20.6	15.9	20.6	19.0	11.1	4.8	2.4	3.2	1.6	*	0.8	33.0	25.0	126
Other	7.7	5.1	14.5	15.4	14.5	7.7	8.5	3.4	2.6	4.3	16.3	42.0	40.0	117

*Distribution withheld

their responsibility area as corporate planning, followed by general administration-economist. The fewest number of respondents described their area of responsibility as statistician and econometrician.

Primary Compensation By Size Of Firm

Economists at firms with both the largest and smallest number of employees, about an equal number of respondents, earned the highest level of median base salaries according to the 1982 salary survey. Outside of the largest firms, those with 10,000 and over, there does not seem to be a close relationship between the size of firm and salary earned. Those economist at the largest firms earned a median base salary of $52,125 in early 1982 with 56% earning $7,100 or 13.6% in additional primary income.

Firms with fewer than 500 employees earned a median base salary of $44,500. 58% of economists working at those firms earned an additional $8,250 in primary income or 18.5% of their base. (See Table 7).

TABLE 6

COMPENSATION BY AREA OF RESPONSIBILITY

	Base Salary			Additional Primary Income			Professional Secondary Income		
	Number Reporting	Median	Mode	Number Reporting	Median	Mode	Number Reporting	Median	Mode
Corporate Planning	276	$45,300	$40,000	138	$ 6,000	$ 5,000	56	$3,000	$ 3,000
Econometrician	50	33,725	30,000	20	2,750	2,000	10	2,000	2,000
Energy Economist	71	40,000	40,000	24	5,000	3,000	10	2,750	1,000
Financial Economist	177	47,500	50,000	90	9,250	10,000	58	3,000	1,000
General Administration	95	50,000	35,000	48	12,250	5,000	42	4,000	5,000
General Administration - Economist	229	54,900	60,000	117	10,000	10,000	74	4,650	1,000
Industrial Economist	113	42,400	50,000	55	5,000	10,000	23	2,000	1,000
International Economist	62	53,000	55,000	39	7,000	5,000	18	2,250	1,000
Macro Forecaster	128	45,000	41,000	72	5,000	5,000	33	2,000	5,000
Marketing Research	114	37,350	40,000	50	5,100	2,000	17	5,000	10,000
Statistician	17	30,100	33,000	*	3,000	700	*	*	*
Teaching	100	31,000	25,000	42	5,000	5,000	72	5,000	1,000
Other	212	41,550	45,000	104	7,350	5,000	48	2,250	2,000

*Distribution Withheld

TABLE 7

PRIMARY COMPENSATION BY SIZE OF FIRM

Firm Employment	Base Salary		Additional Primary Income	
	Number Reporting	Median	Number Reporting	Median
0 - 499	416	$44,500	226	$8,250
500 - 999	88	41,000	49	8,500
1,000 - 2,499	198	40,000	99	6,000
2,500 - 4,999	166	40,000	87	6,000
5,000 - 9,999	124	43,800	51	7,000
10,000 & over	420	52,125	237	7,100
No response	232	35,000	65	5,000

Primary Compensation By Number Of Persons Supervised

Once again, the size of the operation managed by the business economist correlates directly with base salary as illustrated in Table 8. Similarly, the level of additional primary income rises as the size of the reporting staff increases. The highest salaries were paid to economists supervising 25 or more people with a median base salary of $64,000 and $14,000 additional primary income for those reporting such income. However, 84% of those responding to the survey reported supervising 9 or fewer people.

TABLE 8

PRIMARY COMPENSATION BY NUMBER OF PERSONS SUPERVISED

	-----Base Salary-----		--Additional Primary Income--	
Number Supervised	Number Reporting	Median	Number Reporting	Median
None	436	$33,650	164	$ 4,000
1 to 3	640	42,500	330	6,000
4 to 9	303	50,000	175	10,000
10 to 24	141	57,500	77	10,000
25 & over	117	64,000	68	14,000
No response	7	---	7	---

Primary Compensation By Level Of Education

Eighty-seven percent of the respondents reported additional education beyond the Bachelor's degree, with almost one-third of all respondents having completed the Ph.D. The highest median salary was in the all but dissertation group. (See Table 9). This probably reflects years of service and represented the smallest number of degreed respondents. Those with Ph.D degrees had a median base salary of $43,000, up from $42,000 in the 1980 survey. Those business economists with a Masters had a median base salary of $40,000, up from $35,000 in 1980. Ph.Ds in business economics with 0 to 4 years experience earned a median base salary of $35,000. Because of the relatively small number of respondents in the latter category, no reliable breakdown could be done by city or other characteristic.

TABLE 9

PRIMARY COMPENSATION BY EDUCATION

	-----Base Salary-----		--Additional Primary Income--	
Highest Degree Obtained	Number Reporting	Median	Number Reporting	Median
Bachelors	212	$37,500	103	$5,000
Masters	716	40,000	347	6,750
Ph.D.	496	43,000	248	7,650
All But Dissertation	207	50,000	109	6,250
No Degree	*	25,000	*	5,000

*Distribution Withheld

Primary Compensation By Years Of Experience

As might be expected, there is a direct correlation between economist's income and years of professional experience. As Table 10 indicates, those respondents with 10 to 14 years experience have surpassed the median base salary of all respondents ($43,000, Table 1) and have matched the median amount of additional primary income ($6,723, Table 13). Those economists with twenty-five years and over of professional experience commanded a median base salary of $58,000, almost double those reporting 0 to 4 years experience, and a median base additional primary income of $10,000.

TABLE 10

PRIMARY COMPENSATION BY YEARS OF PROFESSIONAL EXPERIENCE

	Base Salary			Additional Primary Income		
Years	Number Reporting	Median	Mode	Number Reporting	Median	Mode
0 to 4	345	$30,000	$35,000	129	$ 3,000	$ 1,000
5 to 9	430	40,000	40,000	200	6,000	5,000
10 to 14	321	46,000	40,000	178	6,750	5,000
15 to 19	200	52,125	60,000	116	10,000	10,000
20 to 24	131	57,500	60,000	71	10,000	10,000
25 & over	217	58,500	50,000	120	10,000	10,000

Base Salary By Location

Among major U.S. cities, median salaries were highest in New York and Pittsburgh. Second highest were economists who listed their location as foreign. (See Table 11). Lowest median salaries were in Cleveland, Atlanta, and Dallas. Over the years, however, the spread between cities has narrowed.

By region of the United States, the highest paid business economists were in the Middle Atlantic states (New York, New Jersey, and Pennsylvania), which also had the greatest number of respondents. The lowest paid were in the Mountain states (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, and Nevada). (See Table 12). This repeated the pattern of the 1980 survey.

TABLE 11

SALARY BY LOCATION

	Number Reporting	Base Median
Atlanta	14	$39,000
Boston	58	46,250
Cleveland	33	36,700
Chicago	71	43,500
Dallas	32	39,210
Detroit	38	43,000
Houston	42	45,000
Los Angeles	81	46,000
New York City	270	50,000
Philadelphia	52	42,500
Pittsburg	25	50,000
San Francisco	56	47,500
Washington, D.C.	150	47,500
Other	722	40,000

TABLE 12

BASE SALARY BY REGION

Region	Number Reporting	Median
New England	133	$45,000
Middle Atlantic	428	48,000
East North Central	256	40,000
West North Central	94	35,500
South Atlantic	250	44,450
East South Central	27	37,500
West South Central	133	39,600
Mountain	54	35,000
Pacific	224	42,250
Foreign	45	49,750

Salary Trends

This is the eighth salary and occupational survey conducted by NABE. Efforts have been made to keep the classifications as consistent as possible for comparison with previous years. Table 13 and the accompanying chart illustrate the median income reported by the surveys together with the number of respondents each year.

Table 14 shows the industry distribution of survey respondents for the last five surveys. It is interesting to observe how changes occur in these sectors.

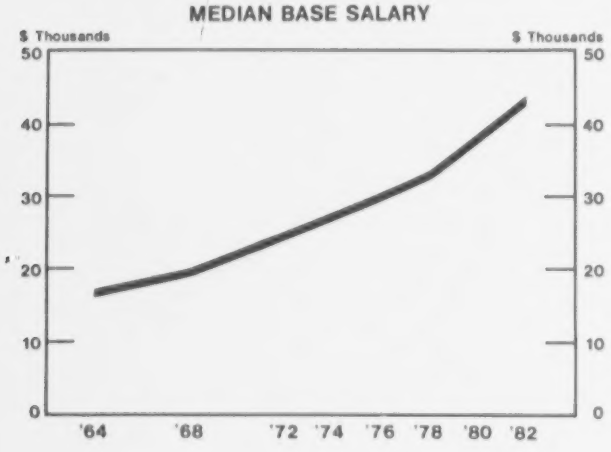

TABLE 13

SALARY TRENDS

Year	Number Reporting	Medians	
		Base Salary	Additional Primary Income
1964	445	$16,800	1
1968	553	19,600	1
1972	993	25,000	$3,000[2]
1974	1,072	27,000	4,000[2]
1976	1,159	30,000	4,000[2]
1978	1,402	33,000	4,500[2]
1980	1,430	38,000	5,000[2]
1982	1,644	43,000	6,723[2]

[1]Not reported

[2]For year prior to survey date

TABLE 14

INDUSTRY DISTRIBUTION
SALARY SURVEY

	1982	1980	1978	1976	1974
Manufacturing	21.2	23.4	26.9	26.2	26.6
Banking	15.2	16.7	16.8	18.3	16.4
Securities and Investment	6.0	6.3	5.9	6.7	10.5
Life Insurance	3.8	3.7	2.9	3.5	4.0
Communications and Utilities	7.4	6.6	6.0	6.0	6.0
Business Services	11.6	8.2	7.5	7.3	7.2
Trade Association	2.7	3.1	4.3	4.7	5.5
Transportation	2.0	1.7	2.2	2.2	2.0
Publishing	1.3	1.7	1.5	1.3	1.6
Government	6.9	6.0	5.5	4.9	5.1
Retail and Wholesale Trade	1.5	1.5	2.0	1.9	2.0
Academic	7.7	8.0	7.3	6.4	4.9
Mining	1.5	1.6	1.1	1.3	2.3
Construction	0.7	0.7	0.5	0.8	0.8
Real Estate	1.2	0.7	0.6	0.4	0.6
Nonprofit Research	2.2	2.4	2.9	2.8	2.5
Other	7.1	7.7	6.1	5.4	2.0